FORM MR-AR (Revised 2/2001)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

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DIV. OF OIL, GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

| I. | <u>Gener</u> | ral Information | | | |
|-----|--|---|--|--|--|
| | 1. | Report Time Period: From (mo./yr.) <u>Jan / 2002</u> To (mo./yr.) <u>Dec / 2002</u> | | | |
| | 2. | DOGM File Number (Mine No.): M / 023 / 003 | | | |
| | 3. | Mine Name: Topaz Mining Property | | | |
| | 4. | Mineral(s) Mined: (or permitted to mine): Beryllium (bertrandite) | | | |
| | 5. | Type of mine Surface Mine or Underground Mine | | | |
| | 6. | Legal Description (Location of Lands Affected): "Please see enclosed description" | | | |
| | | 1/4,1/4,1/4, Section, Township, Range | | | |
| | | 1/4,1/4,1/4, Section, Township, Range | | | |
| | | 1/4,1/4,1/4, Section, Township, Range | | | |
| 7. | Name of Operator or Company: Brush Resources Inc. | | | | |
| | 8. Permanent Street Address: P.O. Box 815 | | | | |
| | | City, State, Zip: Delta, Utah 84624 | | | |
| | | Phone: (435) 864-2701 Fax: (435) 864-4004 | | | |
| | 9. | Company Representative (or designated operator): | | | |
| | | Name: Alex Boulton | | | |
| | | Title: President | | | |
| | Business Address: P.O. Box 815 | | | | |
| | | City, State, Zip: Delta, Utah 84624 | | | |
| | | Phone: (435) 864-2701 Fax: (435) 864-4004 | | | |
| | | Please check if any of the above information has changed since previous year. | | | |
| II. | <u>Minin</u> | ing and Reclamation | | | |
| | 1. | 1. Was the mine active during the past year? Yes ⊠ No □ | | | |
| | 2. | 2. If no - what was the last year of activity? | | | |
| | 3. If yes - how much ore or mineral was mined? 37,470 wet tons (delivered) | | | | |

| 4. | additional surface disturbances that occurred during the past year. | | | | |
|--|--|--|--|--|--|
| | 1. The mine was inactive from January through June | | | | |
| | 2. Mined 25K wet tons waste & | 13K wet tons ore from Blue Chalk North #2 | | | |
| | 3. Mined 54K wet tons waste & 2 | 2K wet tons ore from Monitor #3 | | | |
| | | | | | |
| 5. | How much additional acreage was d | isturbed during the past year? None | | | |
| 6. | 6. How much acreage was reclaimed during the past year? None | | | | |
| 7. | Briefly describe the reclamation work should include methods employed, an | performed during the past year. This description d an evaluation of the results. | | | |
| | 1. Withdrew plan amendment to | expand Rainbow & Section 16 sites | | | |
| | 2.Received approval for form & a | amount of replacement reclamation surety | | | |
| | 3. Monitored Sigma & Rainbow test plots. Drought affects were noticed. | | | | |
| | 4. Conducted inspections with DOGM representative on July 31 & Nov. 25 | | | | |
| 8. What is the total disturbed acreage of entire project at year's end? 203 acres | | | | | |
| 9. | Briefly summarize any mining and/or reclamation plans for the upcoming year. | | | | |
| | 1. Mine all remaining waste & ore from the Monitor open pit. | | | | |
| | 2. Ship ore to the mill from the existing stockpile inventories as needed. | | | | |
| | 3. Conduct annual site inspection | with the Division representative(s). | | | |
| | 4. Continue monitoring Rainbow | & Sigma Emma test plots. | | | |
| NOTE: Section III., "Additional Information" applies only to large mining operations. | | | | | |
| III. Addition | al Information – R647-4-121.2 and .3 | | | | |
| 1. | 1. The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with R647-4-105 | | | | |
| 2. The operator shall keep and maintain timely records relating to his performance und Act, and shall make these records available to the Division upon request. | | | | | |
| IV. <u>Signatur</u> | <u>re Requirement</u> | | | | |
| I hereby | y certify that the foregoing is true and | correct. | | | |
| | me (Typed or Print): | Alex Boulton | | | |
| Tit | ele of Operator: | President | | | |
| Sig | gnature of Operator: | (lap bout | | | |
| | Date: | Monday, January 20, 2002 | | | |
| | | | | | |

| Brush Resources Inc. | Topaz Mining F | Topaz Mining Properties | | |
|----------------------|----------------|-------------------------|--|--|
| Operator | Mine Name | | | |
| M/023/003 | Juab | County, Utah | | |
| | | | | |

Permit Number

Legal Description (Location of Lands Affected) Refers to item 6. on page 1 of the Annual Report form

Township 13 South, Range 12 West, SLM

Section 4

The SW1/4 of the SE1/4, and the SE1/4 of the SW1/4.

> Section 5

Lot 1, and Lot 2, and the S½ of the NE¼, and the SE¼, and the E½ of the SW¼, and the SE¼ of the NW¼.

> Section 7

The S½ of the NE¼, and the SE¼, and the E½ of the SW¼.

> Section 8

The NE¼, and W½ and the SE¼ of the SE¼, and the E½ of the SW¼.

> Section 9

The NE¼, and the SE¼, and the SW¼, and the NW¼.

Section 16

The NE1/4, and NW1/4.

➤ Section 17

The N½ of the NE¼.

Township 12 South, Range 12 West, SLM

➤ Section 32

The W½ and the SE¼ of the SE¼, and the E½ of the SW¼, and the SE¼ of the NW¼.